

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

IN RE:) Case No. 05-15114-WWB
LOVELL PLACE LIMITED) Chapter 11
PARTNERSHIP, AN OHIO LIMITED)
PARTNERSHIP,) Docket No. ____
Reorganized Debtor)
LOVELL PLACE LIMITED)
PARTNERSHIP, AN OHIO)
LIMITED PARTNERSHIP,)
Movant)
vs.)
NATIONAL CITY BANK,)
FORMERLY NATIONAL CITY)
BANK OF PENNSYLVANIA,)
Respondent)

**REORGANIZED DEBTOR'S MOTION FOR AUTHORITY TO OBTAIN CREDIT
UNDER 11 U.S.C. §364(C), BANKRUPTCY RULE 4001(C) AND CONFIRMED PLAN
OF REORGANIZATION**

AND NOW, this 6th day of May, 2009, comes Lovell Place Limited Partnership, an Ohio Limited Partnership, Reorganized Debtor and Movant, by and through its counsel, Knox McLaughlin Gornall & Sennett, P.C., 120 West 10th Street, Erie, Pennsylvania 16501, Attention: Guy C. Fustine, with this Motion for Authority to Obtain Credit under 11 U.S.C. §364(c), Bankruptcy Rule 4001(c) and the confirmed Plan of Reorganization, as follows:

1. The Bankruptcy Court has jurisdiction over this Motion under 28 U.S.C. §1334, 28 U.S.C. §157(a) and the Order of Reference in the Western District of Pennsylvania. This Motion presents a core proceeding under 28 U.S.C. §157(b). This Motion is filed in accordance with 11 U.S.C. §364(c) and Bankruptcy Rule 4001(c).

2. The Debtor filed a Petition for Relief under Chapter 11 of the Bankruptcy Code on October 15, 2005.

3. A Creditors' Committee was appointed. The Committee is represented by Lawrence C. Bolla, Esquire, Quinn, Buseck, Leemhuis, Toohey & Kroto, 2222 West Grandview Boulevard, Erie, Pennsylvania 16506.

4. The Respondent, National City Bank, is represented by Norman E. Gilkey, Esquire, Babst Calland Clements & Zomnir, P.C., Two Gateway Center, 8th Floor, Pittsburgh, PA 15222.

5. The Reorganized Debtor's Chapter 11 Plan, Plan Summary and Disclosure Statement were filed on November 14, 2008. The Chapter 11 Plan was confirmed on February 10, 2009 (the "Plan"). The terms that are defined in the Plan shall have the same meanings herein.

6. The keystone of the Plan is the sale of the Lovell Place Asset Package under the jurisdiction of the Bankruptcy Court, free and clear of liens, pursuant to 11 U.S.C. §363. The goal is to maximize the value of the assets by packaging the real estate and business as one going concern and selling the package to the highest bidder under court-approved bidding procedures.

7. In order to market and sell the Lovell Place Asset Package, the Debtor must first acquire the real estate from the Decedent's estate for Stephen B. McGarvey, i.e. the McGarvey Properties. The Plan provides that National City will proceed with the State Court Foreclosure Proceedings and Sheriff Sales, pursuant to which the Reorganized Debtor will acquire title to the McGarvey Properties via the Sheriff's Deeds, using the Plan Financing provided by National City.

8. More specifically, Paragraph 1.51 of the Plan, entitled Plan Financing, defines Plan Financing as the secured financing provided by National City to the Reorganized Debtor for it to use in acquiring the McGarvey Properties at the Sheriff's Sales post-Plan Confirmation, in order for the Reorganized Debtor to be able to assemble, to own, and then to sell the entire Lovell Place Asset Package. Said financing will be evidenced by the New Note from the Reorganized Debtor to National City, and will be secured by the New Mortgage from the Reorganized Debtor to National City, junior only to: (a) National City's already existing mortgages and liens to the extent not divested by the Sheriff's Sales, and (b) the real estate taxes.

9. Now, the Debtor seeks to obtain secured credit under 11 U.S.C. §364(c) in accordance with Paragraph 1.51 of the Plan. The Bankruptcy Court retained jurisdiction under the Plan for the purposes requested herein.

10. The Debtor, National City and the Committee have agreed on the terms and conditions of a Stipulation and Order for the Plan Financing. The proposed Stipulation and Order is attached hereto and incorporated herein by reference.

11. The Reorganized Debtor is unable to obtain credit, including but not limited to unsecured credit or unsecured credit allowable as an administrative expense or priority claim. Therefore, the Reorganized Debtor requests authority from the Bankruptcy Court to obtain secured credit under the certain terms and conditions as specifically set forth in the attached proposed Stipulation and Order.

12. Under the Stipulation and Order, the pre-existing liens are adequately protected.

13. The relief requested herein would be in the best interest of the Debtor, creditors and the estate.

14. The Sheriff's Sales are scheduled to be held in the Erie County, Pennsylvania Court of Common Pleas on May 15, 2009. Therefore, under Bankruptcy Rule 4001(c), the Reorganized Debtor requests that a hearing on this Motion be held on or before May 14, 2009.

WHEREFORE, the Reorganized Debtor requests that it be authorized to obtain secured credit in accordance with 11 U.S.C. §364(c), the confirmed Chapter 11 Plan and, more specifically, the Stipulation and Order attached hereto; and, that the Debtor have such other and further relief as is reasonable and just.

Respectfully submitted,

KNOX McLAUGHLIN GORNALL &
SENNETT, P.C.
Attorneys for the Reorganized Debtor

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CERTIFICATE OF SERVICE

The undersigned hereby certifies that a copy of the foregoing Motion was served by first class, United States mail, postage pre-paid, on May 6, 2009, as set forth on the attached service list, in addition to the electronic service which was accomplished when the Motion was filed with the Court.

Respectfully submitted,

KNOX McLAUGHLIN GORNALL &
SENNETT, P.C.
Attorneys for the Reorganized Debtor

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